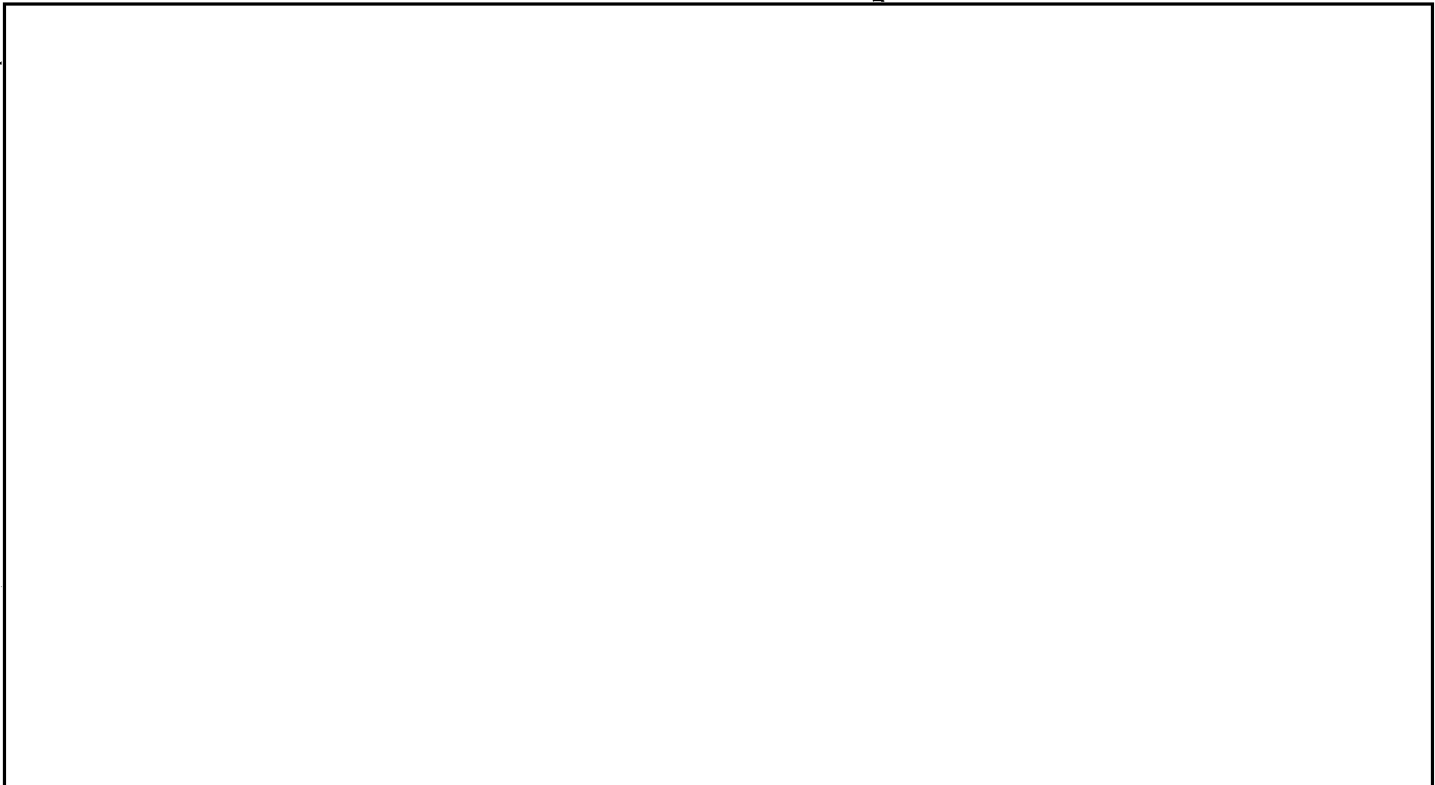


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25X1 [REDACTED] SECRET 25X1



25X1 11. [REDACTED] Called the following at AEC: Col. Benson, Ben George, Oscar Stratinger and John Hoyle, in an attempt to find out whether there had ever been an award made under the Atomic Weapons Rewards Act of 1955. Under that Act the Director is to effect payment of such awards out of funds appropriated for administration of the National Security Act of 1947. Hoyle indicated that no award has yet been made under the Act.

25X1 12. [REDACTED] Called Jan Fox, OMB, to inform her that we would be sending the Director's response to OMB's request for comments on S. 3669 which amends the Atomic Energy Act of 1954 and the Atomic Weapons Rewards Act of 1955, by special courier tomorrow. I also briefly outlined the gist of our letter.

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13. [REDACTED] Received a call from Mr. Schwartz, FBI Liaison, requesting the subcommittees chaired by Senators John L. McClellan (D., Ark.), John C. Stennis (D., Miss.), Representatives George H. Mahon (D., Tex.) and Lucien N. Nedzi (D., Mich.). I supplied Schwartz with the information requested.

25X1

SECRET



Public Law 93-377
93rd Congress, S. 3669
August 17, 1974

An Act

To amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Weapons Rewards Act of 1955 is amended as follows:

(a) The initial section of the Act is amended by striking out the words "Atomic Weapons Rewards Act of 1955" and by substituting in lieu thereof "Atomic Weapons and Special Nuclear Materials Rewards Act."

(b) Sections 2, 3, and 5 of the Act are amended to read as follows:
"SEC. 2. Any person who furnishes original information to the United States—

"(a) leading to the finding or other acquisition by the United States of special nuclear material or an atomic weapon which has been introduced into the United States or manufactured or acquired therein contrary to the laws of the United States, or

"(b) with respect to the introduction or attempted introduction into the United States or the manufacture or acquisition or attempted manufacture or acquisition of, or a conspiracy to introduce into the United States or to manufacture or acquire, special nuclear material or an atomic weapon contrary to the laws of the United States, or

"(c) with respect to the export or attempted export, or a conspiracy to export, special nuclear material or an atomic weapon from the United States contrary to the laws of the United States, shall be rewarded by the payment of an amount not to exceed \$500,000.

"SEC. 3. The Attorney General shall determine whether a person furnishing information to the United States is entitled to a reward and the amount to be paid pursuant to section 2. Before making a reward under this section the Attorney General shall advise and consult with the Atomic Energy Commission. A reward of \$50,000 or more may not be made without the approval of the President."

"SEC. 5. (a) The Attorney General is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

"(b) A determination made by the Attorney General under section 3 of this Act shall be final and conclusive and no court shall have power or jurisdiction to review it."

(c) Section 6 of the Act is amended by deleting the words "Awards Board" and by substituting in lieu thereof the words "Attorney General".

SEC. 2. Section 54 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"SEC. 54. FOREIGN DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—a. The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 123. Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute

Atomic Energy
Act of 1954,
Atomic Weapons
Rewards Act of
1955, amend-
ments.
69 Stat. 365.
50 USC 47a
note.
50 USC 47a, 47b,
47d.

88 STAT. 472
88 STAT. 473

Reward.

Presidential
approval.

Hearings, rules
and regulations.

50 USC 47e.

68 Stat. 931;
78 Stat. 604.
42 USC 2074.

72 Stat. 277,
632.
42 USC 2153.

68 Stat. 940;
72 Stat. 277,
632.
42 USC 2153.

88 STAT. 473
88 STAT. 474
Nuclear mate-
rials, pro-
posed amounts
and periods,
submittal to
Congress.

Report to
Congress.

Special mate-
rials, re-
purchase.

68 Stat. 937;
84 Stat. 1472.
42 USC 2134.
78 Stat. 605;
84 Stat. 1472.
42 USC 2076.

without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value \$10,000 in the case of one nation or \$50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such period of time as are authorized by Congress: *Provided, however, That, (i) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, five hundred grams of uranium-233, and three kilograms of plutonium, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to June 1, 1960; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: *Provided, however, That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress and referred to the Joint Committee and a period of sixty days shall elapse while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days): And provided further, That any such proposed amounts and periods shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed action: And provided further, That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed amounts and periods and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed amounts or periods. The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this subsection which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this subsection. Under any such agreement the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 104, established by the Commission pursuant to section 56, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission.**

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"b. Notwithstanding the provisions of sections 123, 124, and 125, Infra. the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238, and (2) other special nuclear material when it has, in accordance with subsection 57 d., exempted certain classes or quantities of such other special nuclear material or kinds of uses or users thereof from the requirements for a license set forth in this chapter. Unless hereafter otherwise authorized by law, the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material. The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection if, in its opinion, such distribution would be inimical to the common defense and security. The Commission may require such reports regarding the use of Infra. material distributed pursuant to the provisions of this subsection as 88 STAT. 474 it deems necessary. 88 STAT. 475

"c. The Commission is authorized to license or otherwise permit others to distribute special nuclear material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission."

SEC. 3. Section 57 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following new subsection:

"d. The Commission is authorized to establish classes of special nuclear material and to exempt certain classes or quantities of special nuclear material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of special nuclear material or such kinds of uses or users would not be inimical to the common defense and security and would not constitute an unreasonable risk to the health and safety of the public."

SEC. 4. Section 81 of the Atomic Energy Act of 1954, as amended, is amended by deleting the word "licensees" and inserting in lieu thereof the words "qualified applicants" in the third sentence of such section and by deleting the fifth sentence of such section. 68 Stat. 935.
42 USC 2111.

SEC. 5. Sections 123, 124, and 125 of the Atomic Energy Act of 1954, as amended, are amended by substituting the term "54 a." for the term "54." 68 Stat. 940.
71 Stat. 11.
42 USC 2153 and
note, 2154.
83 Stat. 444.
42 USC 2183.

SEC. 6. Subsection 153 h. of the Atomic Energy Act of 1954, as amended, is amended by striking the figure "1974" and substituting therefor the figure "1979". Regulations.
68 Stat. 949.
42 USC 2201.

SEC. 7. Subsection 161 i. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"i. prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 53 or produced by any person in connection with any activity authorized pursuant to this Act, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the

Nuclear materials, classes, license exemptions.
78 Stat. 605.
42 USC 2077.

68 Stat. 930;
78 Stat. 603.
42 USC 2073.

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opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, associations, and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;"

Approved August 17, 1974.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 93-1155 accompanying H.R. 15416
(Joint Comm. on Atomic Energy).
SENATE REPORT No. 93-989 (Joint Comm. on Atomic
Energy).
CONGRESSIONAL RECORD, Vol. 120 (1974):
July 11, considered and passed Senate.
Aug. 1, considered and passed House,
in lieu of H.R. 15416.